



# House of Representatives

General Assembly

**File No. 683**

February Session, 2016

Substitute House Bill No. 5049

*House of Representatives, April 21, 2016*

The Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR GENERAL GOVERNMENT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 8-71 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) In lieu of real property taxes, special benefit assessments and  
4 sewerage system use charges otherwise payable to such municipality,  
5 except in such municipalities as, by special act or charter, on May 20,  
6 1957, had a sewer use charge, an authority shall pay each year to the  
7 municipality in which any of its moderate rental housing projects are  
8 located a sum to be determined by the municipality, with the approval  
9 of the Commissioner of Housing, not in excess of twelve and one-half  
10 per cent of the shelter rent per annum for each occupied dwelling unit  
11 in any such housing project; except that the amount of such payment  
12 shall not be so limited in any case where funds are made available for  
13 such payment by an agency or department of the United States  
14 government, but no payment shall exceed the amount of taxes which

15 would be paid on the property were the property not exempt from  
16 taxation.

17 (b) For the period commencing on the effective date of this section  
18 and ending June 30, 2017, each municipality that received a grant-in-  
19 aid pursuant to section 8-216 in the fiscal year ending June 30, 2015,  
20 shall waive any payment that becomes payable during such period  
21 pursuant to subsection (a) of this section, except that no waiver shall be  
22 required in any case where funds are made available for such payment  
23 by an agency or department of the United States government.

24 Sec. 2. Section 31-98 of the general statutes is repealed and the  
25 following is substituted in lieu thereof (*Effective July 1, 2016*):

26 (a) The panel, or its single member if sitting in accordance with  
27 section 31-93, may, in its discretion and with the consent of the parties,  
28 issue an oral decision immediately upon conclusion of the  
29 proceedings. If the decision is to be in writing, it shall be signed, within  
30 fifteen days, by a majority of the members of the panel or by the single  
31 member so sitting, and the decision shall state such details as will  
32 clearly show the nature of the decision and the points disposed of by  
33 the panel. Where the decision is in writing, one copy thereof shall be  
34 filed by the panel in the office of the town clerk in the town where the  
35 controversy arose and one copy shall be given to each of the parties to  
36 the controversy. The panel or single member which has rendered an  
37 oral decision immediately upon conclusion of the proceedings shall  
38 submit a written copy of the decision to each party within fifteen days  
39 from the issuance of such oral decision. In all cases where a decision is  
40 rendered orally from the bench, the secretary shall cause such oral  
41 decision to be transcribed, approved by the panel or single member as  
42 applicable and filed with the records of the board proceedings.

43 (b) Upon the conclusion of the proceedings, each member of the  
44 panel shall receive [one hundred seventy-five dollars, and on and after  
45 July 1, 2006, two] three hundred twenty-five dollars and a panel  
46 member who prepares a written decision shall receive an additional  
47 [one hundred twenty-five dollars, and on and after July 1, 2006,] one

48 hundred seventy-five dollars, or the single member, if sitting in  
49 accordance with section 31-93, shall receive [two hundred seventy-five  
50 dollars, and on and after July 1, 2006,] three hundred twenty-five  
51 dollars, provided if the proceedings extend beyond one day, each  
52 member shall receive [one hundred dollars, and on and after July 1,  
53 2006,] one hundred fifty dollars for each additional day beyond the  
54 first day, and provided further no proceeding may be extended  
55 beyond two days without the prior approval of the Labor  
56 Commissioner for each such additional day.

57 (c) Upon the conclusion of an executive panel session, each member  
58 of such panel shall receive [one hundred dollars, and on and after July  
59 1, 2006,] one hundred fifty dollars.

60 Sec. 3. Section 17b-277a of the general statutes is repealed and the  
61 following is substituted in lieu thereof (*Effective July 1, 2016*):

62 The Commissioners of Public Health, [Social Services] Early  
63 Childhood and Mental Health and Addiction Services shall jointly  
64 establish a program to inform applicants to the Healthy Start program  
65 about the availability of, and eligibility for, services provided by the  
66 Nurturing Families Network established pursuant to section 17b-751b.

67 Sec. 4. Subsection (a) of section 12-170f of the general statutes is  
68 repealed and the following is substituted in lieu thereof (*Effective July*  
69 *1, 2016*):

70 (a) Any renter, believing himself or herself to be entitled to a grant  
71 under section 12-170d for any calendar year, shall apply for such grant  
72 to the assessor of the municipality in which the renter resides or to the  
73 duly authorized agent of such assessor or municipality on or after  
74 April first and not later than October first of each year with respect to  
75 such grant for the calendar year preceding each such year, on a form  
76 prescribed and furnished by the Secretary of the Office of Policy and  
77 Management to the assessor. A renter may apply to the secretary prior  
78 to December fifteenth of the claim year for an extension of the  
79 application period. The secretary may grant such extension in the case

80 of extenuating circumstance due to illness or incapacitation as  
81 evidenced by a certificate signed by a physician or an advanced  
82 practice registered nurse to that extent, or if the secretary determines  
83 there is good cause for doing so. A renter making such application  
84 shall present to such assessor or agent, in substantiation of the renter's  
85 application, a copy of the renter's federal income tax return, and if not  
86 required to file a federal income tax return, such other evidence of  
87 qualifying income, receipts for money received, or cancelled checks, or  
88 copies thereof, and any other evidence the assessor or such agent may  
89 require. When the assessor or agent is satisfied that the applying renter  
90 is entitled to a grant, such assessor or agent shall issue a certificate of  
91 grant, in triplicate, in such form as the secretary may prescribe and  
92 supply showing the amount of the grant due. The assessor or agent  
93 shall forward the original copy and attached application to the  
94 secretary not later than the last day of the month following the month  
95 in which the renter has made application. Any municipality that  
96 neglects to transmit to the secretary the claim and supporting  
97 applications as required by this section shall forfeit two hundred fifty  
98 dollars to the state, provided the secretary may waive such forfeiture  
99 in accordance with procedures and standards adopted by regulation in  
100 accordance with chapter 54. A duplicate of such certificate with a copy  
101 of the application attached shall be delivered to the renter and the  
102 assessor or agent shall keep the third copy of such certificate and a  
103 copy of the application. After the secretary's review of each claim,  
104 pursuant to section 12-120b, and verification of the amount of the  
105 grant, the secretary shall make a determination of any per cent  
106 reduction to all claims that will be necessary to keep within available  
107 appropriations and, not later than September thirtieth of each year  
108 prepare a list of certificates approved for payment, and shall thereafter  
109 supplement such list monthly. Such list and any supplements thereto  
110 shall be approved for payment by the secretary and shall be forwarded  
111 by the secretary to the Comptroller, along with a notice of any  
112 necessary per cent reduction in claim amounts, not later than one  
113 hundred twenty days after receipt of such applications and certificates  
114 of grant from the assessor or agent, and the Comptroller shall draw an

115 order on the Treasurer, not later than fifteen days following, in favor of  
116 each person on such list and on supplements to such list in the amount  
117 of such person's claim, minus any per cent reduction noticed by the  
118 secretary pursuant to this subsection, and the Treasurer shall pay such  
119 amount to such person, not later than fifteen days following. If the  
120 Secretary of the Office of Policy and Management determines a renter  
121 was overpaid for such grant, the amount of any subsequent grant paid  
122 to the renter under section 12-170d after such determination shall be  
123 reduced by the amount of overpayment until the overpayment has  
124 been recouped. Any claimant aggrieved by the results of the  
125 secretary's review or determination shall have the rights of appeal as  
126 set forth in section 12-120b. Applications filed under this section shall  
127 not be open for public inspection. Any person who, for the purpose of  
128 obtaining a grant under section 12-170d, wilfully fails to disclose all  
129 matters related thereto or with intent to defraud makes false statement  
130 shall be fined not more than five hundred dollars.

131 Sec. 5. Subsection (a) of section 12-19a of the 2016 supplement to the  
132 general statutes is repealed and the following is substituted in lieu  
133 thereof (*Effective January 1, 2015*):

134 (a) Until the fiscal year commencing July 1, 2016, on or before  
135 January first, annually, the Secretary of the Office of Policy and  
136 Management shall determine the amount due, as a state grant in lieu of  
137 taxes, to each town in this state wherein state-owned real property,  
138 reservation land held in trust by the state for an Indian tribe, [or] a  
139 municipally owned airport, or any airport owned by the Connecticut  
140 Airport Authority, other than Bradley International Airport, except  
141 that which was acquired and used for highways and bridges, but not  
142 excepting property acquired and used for highway administration or  
143 maintenance purposes, is located. The grant payable to any town  
144 under the provisions of this section in the state fiscal year commencing  
145 July 1, 1999, and each fiscal year thereafter, shall be equal to the total of  
146 (1) (A) one hundred per cent of the property taxes which would have  
147 been paid with respect to any facility designated by the Commissioner  
148 of Correction, on or before August first of each year, to be a

149 correctional facility administered under the auspices of the  
150 Department of Correction or a juvenile detention center under  
151 direction of the Department of Children and Families that was used for  
152 incarcerative purposes during the preceding fiscal year. If a list  
153 containing the name and location of such designated facilities and  
154 information concerning their use for purposes of incarceration during  
155 the preceding fiscal year is not available from the Secretary of the State  
156 on the first day of August of any year, said commissioner shall, on said  
157 first day of August, certify to the Secretary of the Office of Policy and  
158 Management a list containing such information, (B) one hundred per  
159 cent of the property taxes which would have been paid with respect to  
160 that portion of the John Dempsey Hospital located at The University of  
161 Connecticut Health Center in Farmington that is used as a permanent  
162 medical ward for prisoners under the custody of the Department of  
163 Correction. Nothing in this section shall be construed as designating  
164 any portion of The University of Connecticut Health Center John  
165 Dempsey Hospital as a correctional facility, and (C) in the state fiscal  
166 year commencing July 1, 2001, and each fiscal year thereafter, one  
167 hundred per cent of the property taxes which would have been paid  
168 on any land designated within the 1983 Settlement boundary and  
169 taken into trust by the federal government for the Mashantucket  
170 Pequot Tribal Nation on or after June 8, 1999, (2) subject to the  
171 provisions of subsection (c) of this section, sixty-five per cent of the  
172 property taxes which would have been paid with respect to the  
173 buildings and grounds comprising Connecticut Valley Hospital in  
174 Middletown. Such grant shall commence with the fiscal year beginning  
175 July 1, 2000, and continuing each year thereafter, (3) notwithstanding  
176 the provisions of subsections (b) and (c) of this section, with respect to  
177 any town in which more than fifty per cent of the property is state-  
178 owned real property, one hundred per cent of the property taxes  
179 which would have been paid with respect to such state-owned  
180 property. Such grant shall commence with the fiscal year beginning  
181 July 1, 1997, and continuing each year thereafter, (4) subject to the  
182 provisions of subsection (c) of this section, forty-five per cent of the  
183 property taxes which would have been paid with respect to all other

184 state-owned real property, (5) forty-five per cent of the property taxes  
185 which would have been paid with respect to all municipally owned  
186 airports [;] or any airport owned by the Connecticut Airport Authority,  
187 other than Bradley International Airport, except for the exemption  
188 applicable to such property, on the assessment list in such town for the  
189 assessment date two years prior to the commencement of the state  
190 fiscal year in which such grant is payable. The grant provided  
191 pursuant to this section for any municipally owned airport or any  
192 airport owned by the Connecticut Airport Authority, other than  
193 Bradley International Airport, shall be paid to any municipality in  
194 which the airport is located, except that the grant applicable to  
195 Sikorsky Airport shall be paid half to the town of Stratford and half to  
196 the city of Bridgeport, and (6) forty-five per cent of the property taxes  
197 which would have been paid with respect to any land designated  
198 within the 1983 Settlement boundary and taken into trust by the  
199 federal government for the Mashantucket Pequot Tribal Nation prior  
200 to June 8, 1999, or taken into trust by the federal government for the  
201 Mohegan Tribe of Indians of Connecticut, provided (A) the real  
202 property subject to this subdivision shall be the land only, and shall  
203 not include the assessed value of any structures, buildings or other  
204 improvements on such land, and (B) said forty-five per cent grant shall  
205 be phased in as follows: (i) In the fiscal year commencing July 1, 2012,  
206 an amount equal to ten per cent of said forty-five per cent grant, (ii) in  
207 the fiscal year commencing July 1, 2013, thirty-five per cent of said  
208 forty-five per cent grant, (iii) in the fiscal year commencing July 1,  
209 2014, sixty per cent of said forty-five per cent grant, (iv) in the fiscal  
210 year commencing July 1, 2015, eighty-five per cent of said forty-five  
211 per cent grant, and (v) in the fiscal year commencing July 1, 2016, one  
212 hundred per cent of said forty-five per cent grant.

213 Sec. 6. Subsection (b) of section 38a-488a of the 2016 supplement to  
214 the general statutes is repealed and the following is substituted in lieu  
215 thereof (*Effective from passage*):

216 (b) Each individual health insurance policy providing coverage of  
217 the type specified in subdivisions (1), (2), (4), (11) and (12) of section

218 38a-469 delivered, issued for delivery, renewed, amended or continued  
219 in this state shall provide benefits for the diagnosis and treatment of  
220 mental or nervous conditions. Benefits payable include, but need not  
221 be limited to:

222 (1) General inpatient hospitalization, including in state-operated  
223 facilities;

224 (2) Medically necessary acute treatment services and medically  
225 necessary clinical stabilization services;

226 (3) General hospital outpatient services, including at state-operated  
227 facilities;

228 (4) Psychiatric inpatient hospitalization, including in state-operated  
229 facilities;

230 (5) Psychiatric outpatient hospital services, including at state-  
231 operated facilities;

232 (6) Intensive outpatient services, including at state-operated  
233 facilities;

234 (7) Partial hospitalization, including at state-operated facilities;

235 [(8) Evidence-based maternal, infant and early childhood home  
236 visitation services, as described in Section 2951 of the Patient  
237 Protection and Affordable Care Act, P.L. 111-148, as amended from  
238 time to time, that are designed to improve health outcomes for  
239 pregnant women, postpartum mothers and newborns and children,  
240 including, but not limited to, for maternal substance use disorders or  
241 depression and relationship-focused interventions for children with  
242 mental or nervous conditions or substance use disorders;]

243 [(9)] (8) Intensive, home-based services designed to address specific  
244 mental or nervous conditions in a child;

245 [(10)] (9) Evidence-based family-focused therapy that specializes in  
246 the treatment of juvenile substance use disorders;



- 247      [(11)] (10) Short-term family therapy intervention;
- 248      [(12)] (11) Nonhospital inpatient detoxification;
- 249      [(13)] (12) Medically monitored detoxification;
- 250      [(14)] (13) Ambulatory detoxification;
- 251      [(15)] (14) Inpatient services at psychiatric residential treatment  
252 facilities;
- 253      [(16)] (15) Rehabilitation services provided in residential treatment  
254 facilities, general hospitals, psychiatric hospitals or psychiatric  
255 facilities;
- 256      [(17)] (16) Observation beds in acute hospital settings;
- 257      [(18)] (17) Psychological and neuropsychological testing conducted  
258 by an appropriately licensed health care provider;
- 259      [(19)] (18) Trauma screening conducted by a licensed behavioral  
260 health professional;
- 261      [(20)] (19) Depression screening, including maternal depression  
262 screening, conducted by a licensed behavioral health professional; and
- 263      [(21)] (20) Substance use screening conducted by a licensed  
264 behavioral health professional.

265      Sec. 7. Subsection (b) of section 38a-514 of the 2016 supplement to  
266 the general statutes is repealed and the following is substituted in lieu  
267 thereof (*Effective from passage*):

268      (b) Except as provided in subsection (j) of this section, each group  
269 health insurance policy, providing coverage of the type specified in  
270 subdivisions (1), (2), (4), (11) and (12) of section 38a-469, delivered,  
271 issued for delivery, renewed, amended or continued in this state shall  
272 provide benefits for the diagnosis and treatment of mental or nervous  
273 conditions. Benefits payable include, but need not be limited to:

274 (1) General inpatient hospitalization, including in state-operated  
275 facilities;

276 (2) Medically necessary acute treatment services and medically  
277 necessary clinical stabilization services;

278 (3) General hospital outpatient services, including at state-operated  
279 facilities;

280 (4) Psychiatric inpatient hospitalization, including in state-operated  
281 facilities;

282 (5) Psychiatric outpatient hospital services, including at state-  
283 operated facilities;

284 (6) Intensive outpatient services, including at state-operated  
285 facilities;

286 (7) Partial hospitalization, including at state-operated facilities;

287 [(8) Evidence-based maternal, infant and early childhood home  
288 visitation services, as described in Section 2951 of the Patient  
289 Protection and Affordable Care Act, P.L. 111-148, as amended from  
290 time to time, that are designed to improve health outcomes for  
291 pregnant women, postpartum mothers and newborns and children,  
292 including, but not limited to, for maternal substance use disorders or  
293 depression and relationship-focused interventions for children with  
294 mental or nervous conditions or substance use disorders;]

295 [(9)] (8) Intensive, home-based services designed to address specific  
296 mental or nervous conditions in a child;

297 [(10)] (9) Evidence-based family-focused therapy that specializes in  
298 the treatment of juvenile substance use disorders;

299 [(11)] (10) Short-term family therapy intervention;

300 [(12)] (11) Nonhospital inpatient detoxification;

- 301      [(13)] (12) Medically monitored detoxification;
- 302      [(14)] (13) Ambulatory detoxification;
- 303      [(15)] (14) Inpatient services at psychiatric residential treatment  
304 facilities;
- 305      [(16)] (15) Rehabilitation services provided in residential treatment  
306 facilities, general hospitals, psychiatric hospitals or psychiatric  
307 facilities;
- 308      [(17)] (16) Observation beds in acute hospital settings;
- 309      [(18)] (17) Psychological and neuropsychological testing conducted  
310 by an appropriately licensed health care provider;
- 311      [(19)] (18) Trauma screening conducted by a licensed behavioral  
312 health professional;
- 313      [(20)] (19) Depression screening, including maternal depression  
314 screening, conducted by a licensed behavioral health professional; and
- 315      [(21)] (20) Substance use screening conducted by a licensed  
316 behavioral health professional.
- 317      Sec. 8. Sections 44 and 46 of public act 15-5 of the June special  
318 session are repealed. (*Effective from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	8-71
Sec. 2	<i>July 1, 2016</i>	31-98
Sec. 3	<i>July 1, 2016</i>	17b-277a
Sec. 4	<i>July 1, 2016</i>	12-170f(a)
Sec. 5	<i>January 1, 2015</i>	12-19a(a)
Sec. 6	<i>from passage</i>	38a-488a(b)
Sec. 7	<i>from passage</i>	38a-514(b)
Sec. 8	<i>from passage</i>	Repealer section

**APP**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:** See Below

**Municipal Impact:** See Below

**Explanation**

The bill results in the following impacts.

**Section 1** results a revenue loss to various municipalities in FY 17 by requiring municipalities to waive property tax payments required for certain housing authorities. This is an extension of PA 15-5 JSS, which prohibited municipalities from requiring an authority to make these payments to municipalities in FY 16 only.

PA 15-244, the FY 16 – 17 Biennial Budget Act, did not provide an appropriation for the Moderate Rental PILOT grant in FY 16 and FY 17. The appropriation to the program historically subsidized the revenue loss associated with the property tax waiver required under CGS 8-71.

**Section 2** increases, from \$225 to \$325, the arbitrator fee paid to members of the State Board of Mediation and Arbitration (SBMA) for the first day of mediation. This results in a cost of \$91,600 annually to the Labor Department; funding for this item is included in sHB 5044, the FY 17 Revised Budget as favorably reported by the Appropriations Committee.

**Section 3** makes the Office of Early Childhood (OEC), instead of the Department of Social Services (DSS), responsible for informing applicants to the Healthy Start program of certain services, which relates to a provision of sHB 5044, the FY 17 Revised Budget, that

transfers Healthy Start funding of \$1.2 million from DSS to OEC.

**Section 4** allows for the proportionate reduction of payments to individuals under the Elderly Renters' Tax Relief program. This precludes any deficiency to the Elderly Renters' Tax Relief account caused by program expenditures exceeding the amount appropriated. In FY 16 and FY 17, it is anticipated that the amount appropriated will be sufficient to fully fund the grant.

**Section 5** has no fiscal impact. The section codifies the current practice of the Office of Policy and Management in calculating State Property PILOT grants.

**Sections 6 – 8** preclude a cost to fully-insured municipalities, the state plan, and the state pursuant to the Affordable Care Act (ACA) by eliminating mandated insurance coverage requirements for evidence-based maternal, infant and early childhood home visitation services which, under current law would go into effect January 1, 2017. sHB 5044, the FY 17 Revised Budget, does not include funding for these services for the state health plan or the state pursuant to the ACA.

***The Out Years***

***State Impact:*** See Above

***Municipal Impact:*** See Above

**OLR Bill Analysis****sHB 5049*****AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET  
RECOMMENDATIONS FOR GENERAL GOVERNMENT.*****SUMMARY:**

This bill makes the following changes:

1. requires municipalities that received certain payment in lieu of taxes (PILOT) grants in FY 15 to waive, through June 30, 2017, payments owed to them by housing authorities with moderate rental housing projects (§ 1);
2. increases, from \$225 to \$325, the amount of money a panel member on the Department of Labor's Board of Mediation and Arbitration receives upon the conclusion of a proceeding over which the panel presided (§ 2);
3. requires the Office of Policy and Management (OPM) secretary to determine whether to apply a percentage reduction to all claims under the rental rebate program for the elderly and people with total and permanent disabilities to stay within available appropriations (§ 4);
4. conforms law to current practice by allowing municipalities with airports owned by the Connecticut Airport Authority (CAA), other than Bradley International Airport, to receive PILOTs for such property (§ 5) (see COMMENT); and
5. eliminates coverage requirements related to mental and nervous conditions for certain individual and group health insurance policies. (§§ 6-8).

The bill also makes several technical changes, including replacing a

reference to the social services commissioner with one to the early childhood commissioner in a statute that refers to the Nurturing Families Network (§ 3). (The Office of Early Childhood oversees this network.)

EFFECTIVE DATE: July 1, 2016, except that the provisions concerning (1) insurance coverage and housing authority payments are effective upon passage and (2) airport PILOTs are effective January 1, 2015.

### **§ 1 — MODERATE RENTAL HOUSING PILOTS**

The law generally requires housing authorities to make PILOT payments to municipalities where they are located for moderate rental housing projects. The bill requires municipalities that received certain state assistance in FY 15 to waive these payments from the date of the bill's passage through June 30, 2017.

The bill's waiver requirement applies to municipalities that received state grants-in-aid for abating property taxes on housing and property classified solely for low- and moderate-income people. No waiver is required if PILOT payments include federal funds.

By law, the PILOT for moderate rental housing projects is set by the municipality, with the housing commissioner's approval. It cannot exceed 12.5% of the annual rent for occupied units, unless the housing authority receives money from the federal government for this purpose, in which case the PILOT cannot exceed the amount of property tax that would have been due.

### **§ 2 — COMPENSATION FOR BOARD OF MEDIATION AND ARBITRATION PANEL MEMBERS**

The bill increases, from \$225 to \$325, the amount of money a panel member on the Department of Labor's Board of Mediation and Arbitration receives upon the conclusion of a proceeding over which the panel presided.

The board's six members are appointed by the governor to represent



labor, management, or the public's interest. The members are divided into two three-member panels, each of which may provide grievance arbitration, conciliation, and mediation services between the state's public and private sector employers and employees. Unchanged by the bill, the panel member who prepares a written decision receives an additional \$175.

#### **§ 4 — RENTAL REBATE PROGRAM FOR THE ELDERLY AND PERSONS WITH TOTAL DISABILITY**

The bill requires the OPM secretary to determine whether to apply a percentage reduction to all claims under the rental rebate program for the elderly and people with total and permanent disabilities to stay within available appropriations. By law, the secretary must prepare a list of approved program claims by September 30, forward it to the comptroller for payment, and update it monthly.

By law, the OPM secretary must approve program claims and forward them to the comptroller for payment within 120 days after receiving them. The bill requires the secretary to also notify the comptroller of any necessary reduction in claim amounts. The comptroller must then subtract the reduction amount from the payment. Existing law, unchanged by the bill, requires the comptroller to draw an order on the treasurer no later than 15 days after receiving the list of approved claims.

#### **§ 5 – PILOT PAYMENTS FOR TOWNS WITH CERTAIN CAA-OWNED AIRPORTS**

By law, the state makes annual PILOT payments to municipalities to reimburse them for a part of the revenue loss from certain tax-exempt property. The PILOTs are based on (1) a specified percentage of taxes that each municipality would otherwise collect on the property and (2) the amount the state appropriates for the payments.

The bill conforms law to current practice by allowing municipalities with airports owned by CAA (other than Bradley) to receive PILOTs for such property. Current law already allows municipalities to receive PILOT payments for municipally-owned airports.

Under the bill, for FY 16, the PILOT reimbursement rate to municipalities for such CAA-owned airports is 45%. The bill does not specify the reimbursement rate for FY 17 and later years. (By law, PILOT rates range from 45% to 100% of the property taxes that would have been paid for the property. The default reimbursement rate for state-owned property is 45%, but CAA is a quasi-public agency, not a state agency.)

By law, PILOTs are proportionately reduced if the amount appropriated is insufficient to fund the full amount of such payments to all recipients.

### **§§ 6-8 — INSURANCE COVERAGE FOR MENTAL OR NERVOUS CONDITIONS**

The bill eliminates coverage requirements related to mental and nervous conditions for certain individual and group health insurance policies.

Specifically, it eliminates a requirement that insurers provide coverage for evidence-based maternal, infant, and early childhood home visitation services designed to improve health outcomes for pregnant women, postpartum mothers, and newborns and children. Under current law, such coverage must include maternal substance use disorders or depression and relationship-focused interventions for children with mental or nervous conditions or substance use disorders.

The bill also repeals provisions requiring, beginning January 1, 2017, insurers to provide coverage for:

1. intensive, family- and community-based treatment programs that focus on environmental systems impacting chronic and violent juvenile offenders;
2. other home-based therapeutic interventions for children;
3. chemical maintenance treatment (i.e., when a person is admitted for the planned use of a prescribed substance under medical supervision); and

4. extended day treatment programs for children or youth with emotional disturbance, mental illness, behavior disorders, or multiple disabilities.

The bill applies to individual and group health insurance policies issued, delivered, renewed, amended, or continued in Connecticut that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; or (4) hospital or medical services, including those provided through an HMO.

## **COMMENT**

### ***Section 5 Effective Date***

Section 5 (on PILOTs for towns with CAA-owned airports) is effective January 1, 2015. Therefore, the legal effect of this section is unclear.

## **COMMITTEE ACTION**

Appropriations Committee

Joint Favorable Substitute

Yea    29    Nay   25    (04/07/2016)